

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**SPECIAL SESSION
October 23, 2003**

The Board of Supervisors of Maricopa County, Arizona convened at 12:00 noon, October 23, 2003, at the County Supervisors Association Boardrooms A and B, 1905 West Washington Street, Phoenix, Arizona, participating in a meeting of the County Supervisors' Association (CSA) Board of Directors. Maricopa County Supervisors present were: Fulton Brock, Chairman, District 1; Andy Kunasek, Vice Chairman, District 3; Don Stapley, District 2, Max W. Wilson, District 4, and Mary Rose Wilcox, District 5. Also present: Norma Risch, Deputy Clerk of the Board; David Smith, County Administrative Officer; and Paul Golab, Deputy County Attorney.

INTRODUCTIONS

County Supervisors' Association President Sharon Bronson introduced Senator Jack Brown, Speaker Jake Flake, Alan Stephens of the Governor's Office, V. K. Karpuk of Senator Kyl's office, Jerry Orrick, Brent Brown of the Governor's Office, and two new staffers for Maricopa County, Rick Bohan and Christian Stumpf.

Speaker Flake introduced Elizabeth Hatch, Director of Operations for House Majority Staff.

APPROVAL OF MINUTES

Bob McLendon made the motion, seconded by Paul Newman, and unanimously carried to approve the minutes of the September 18, 2003, Board of Directors meeting.

DISCUSSION WITH DORA SCHIRO, DIRECTOR, ARIZONA DEPARTMENT OF CORRECTIONS

President Bronson welcomed Dora Schiro, the new Director of the Arizona Department of Corrections. Ms. Schiro said she has been in corrections for 30 years and started as the new Department of Corrections Director on July 1. She visited all institutions across the state in her first month. She said basic security practices in this state's institutions are as good as she's seen anywhere, and the department plans to build on its tradition of secure facilities and look for ways to prepare felons to be more civil and more productive when released.

Ms. Schiro said the special session called by the Governor is to address, in part, some corrections issues. It is an urgent request to complete the current fiscal year. She said the request is for a supplemental appropriation of \$26.4 million; part of the monies requested will be funded through the corrections fund, the rest will need to come from the general fund. A one-page handout was distributed. The request was made because they need immediate space for inmates and support for staff. They are currently short 4,200 beds. Ms. Schiro said the bed shortage would increase to 5,600 in June if relief were not received now.

Supervisor Fulton Brock said that one challenge the state and Maricopa County face is overcrowding. He asked if the program to reduce employee turnover listed on the back of the handout provided by Ms. Schiro was successful. Supervisor Brock also pointed out that the handout states that Maricopa County is the state's biggest competitor and that Maricopa County just raised its starting pay for officers. He said the City of Phoenix and surrounding cities are Maricopa County's biggest competitors. He said Maricopa County is the training ground for correctional officers and law enforcement officers. Ms. Schiro said the

**SPECIAL SESSION
October 23, 2003**

recruitment retention incentive is exceptionally effective; that some facilities were approaching 30% vacancy rates, but after the recruitment retention incentive was introduced, the vacancy rates were lowered to between 8 percent and 11%.

STATE SUPPORT FOR COOPERATIVE EXTENSION

President Bronson introduced Dr. Gene Sander, Vice Provost and Dean of the College of Agriculture and Life Sciences at the University of Arizona (UofA). Dean Sander introduced Joe Sigg from the Arizona Farm Bureau, who is sponsoring his proposal. Dean Sander said they are moving toward an enterprise system and although they depend upon appropriations from the Legislature, they have had to increase tuition to maintain the high level of the program. He said they are very good at generating extramural grants and contracts to the UofA, bringing in about \$360 million a year.

Dean Sander said they have a customer-driven initiative and are asking for an increased appropriation (to make up the difference on the \$4.5 million hit taken a year and one-half ago) from the Legislature so they can add agents and operational expenses into the program. President Bronson asked Dean Sander to clarify his request for county support for his FY '04 request to the Legislature. Dean Sander said that is correct; they are not asking for money from the counties, just support. Supervisor Max Wilson asked how much financial support they receive from alumni. He replied they are about to finish a \$1 billion campaign. Supervisor Lucy Shipp expressed how important she believes these programs are in Yuma County and said they support Dean Sander's efforts to keep the programs ongoing.

President Bronson said she would entertain a motion for Dean Sander's request for county support and to have CSA do a letter. Dean Sander asked if he could get back to CSA on what exactly was needed and whether the support should be in letter form and to whom to direct it. Supervisor Bob McLendon advised that CSA is in the process of forming its legislative priority list and a number of counties could possibly be ready to support the Dean's request, when it's formulated. President Bronson suggested referring the request to the Legislative Policy Committee when language for a bill is written. Supervisor J. R. DeSpain made a motion, seconded by Supervisor John Maynard, and unanimously carried to support the Dean's request.

REQUEST TO CSA FOR AN AMICUS BRIEF IN PIMA COUNTY V. CLEAR CHANNEL OUTDOOR

President Bronson said she would move this *amicus* brief request for discussion along with the other *amicus* brief request later in the agenda.

DISCUSSION OF POTENTIAL ELECTED COUNTY OFFICIALS SALARY BILL

Jim Sawyer introduced his government affairs director, Tonia Tunnell. Jim stated the AACo board is contemplating proposing legislation to increase the salaries for elected county officials. Jim explained they have done research on what counties have been able to do for nonelected officials, what the state has done, what the economic indicators have been, etc. A handout was distributed. The handout cites a county official can only receive an increase at the beginning of a term; Jim noted that if a bill is not run this session or if it is not successful, further legislation cannot be introduced for another four years.

**SPECIAL SESSION
October 23, 2003**

Jim said he spoke with Senator Bennett and Speaker Flake. Jim advised that Senator Bennett is lukewarm to the idea, however, Speaker Flake is opposed. Speaker Flake ran a bill on this five years ago and Supervisor Newman was a staunch supporter then as a legislator. Jim said the AACo board would decide on this at the November conference.

President Bronson noted she was very remiss in not introducing the new supervisor from Pima County earlier. Supervisor Ramón Valadez replaced Supervisor Dan Eckstrom. She said the vote to place him on the board was unanimous. Supervisor Valadez is a former state senator. Supervisor Valadez said it was a pleasure to be here and was honored by CSA in the past for his work in the Senate.

President Bronson asked if a bill were to be introduced, would it open up the possibility for salaries to be decreased. Jim replied it could and he would fight that. He said what they did five years ago was cross through the current salary amount and write in the proposed amount. The amount accepted by the Legislature was lower than the proposed amount and at one point, the Legislature removed the salary for supervisors, but AACo requested it be put back in.

Supervisor Don Stapley said he spoke with Speaker Flake about this recently and he is against the issue. He said it was discussed that it should be treated in the same manner the judges' salaries are determined and have it go to a commission to decide the salaries, so the commission can look at the facts outside of the political realm. He suggested having the bill drafted to go that route. Jim Sawyer said the salary commission is used to determine salaries for statewide officeholders, including legislators and county clerks of the court. He said that AACo is discussing that possibility and also to include county clerks of the court in the proposal (the clerks had received a 13% salary increase a few years ago). Supervisor Stapley added that Speaker Flake said he wouldn't oppose the commission approach. Jim said the commission wouldn't be able to meet between now and the beginning of the next term of office. Supervisor Stapley said that could be addressed in the bill. Jim said it could also be proposed to ask for a straight salary increase for this time and then have it referred to a commission.

Supervisor McLendon commented that since Speaker Flake has already voiced his opinion on this issue, that needs to be taken into consideration; and since his approval is needed, he has the power to stop it. Supervisor McLendon said we shouldn't put all of our energy into this, when it could be dead on arrival at the Speaker's office. He added that counties need to be careful about any legislation this year, because there could be an amendment that would harm county elected officials. President Bronson said this was probably not the ideal time to introduce legislation of this nature. She suggested Jim take back to the AACo board that this is not a bill CSA would likely support because the timing was not good this session; however, the CSA board would be willing to entertain discussion on it at a future date.

EXECUTIVE DIRECTOR REPORT

Lisa Atkins was not present to give the executive director report, however, President Bronson introduced David Smith, Maricopa County Administrator, to provide an update on the Citizens Finance Review Commission (CFRC). Mr. Smith commented that the quicker we can help the state get on its feet financially, the sooner they'll stop being a threat to county budgets. Mr. Smith said the commission completed its preliminary set of recommendations. He provided a handout on the mission statement and 46 recommendations in the areas of sales tax, property tax, income tax and miscellaneous revenue. Mr.

**SPECIAL SESSION
October 23, 2003**

Smith said he was the author of the miscellaneous revenue report, which are the first five recommendations on the list.

Mr. Smith commented that the JLBC document provided by CSA earlier states his case. It shows that 10 years ago the state general fund budget had 14 percent miscellaneous revenue; now, his figures show it at 5 percent. Each 1 percent of the state general fund budget is \$65 million. He said if they had been diligently updating their fees, miscellaneous taxes, and interest, by multiplying 9 percent by \$65 million would show how much less of a shortfall the state would have today simply by being diligent. He said a lot of the recommendations are controversial and a lot of them would help the business community. He noted that the economy is the most desired way to bring the state out of its deficit.

Mr. Smith said the commission tried to follow four principle guidelines on the mission statement: equitable treatment of taxpayers, economic vitality to help the economy grow, volatility (meaning more diversification means less volatility), and simplicity (easy to comply and easy to administer by the Department of Revenue). He said there are a variety of approaches that can be done that haven't been done in the past, such as marketing the lottery, auditing casino gambling proceeds, repealing the residual amount of motor vehicle licensing for alt-fuel benefits, etc. He stated there are 270 funds in the state budget that need to be audited independently. The comment period is open until October 29 and he suggested counties contact him with any comments. He said there would be two more meetings and then the report will go to the Governor.

Supervisor Mary Rose Wilcox, Maricopa County, asked when the final two sessions were for the CFRC. Mr. Smith replied they were November 3 and November 10. Supervisor Wilcox asked if counties could provide consensus opinions on some of the recommendations to Mr. Smith by those dates to include in the report to the Governor. Supervisor Joe Sanchez suggested appointing a staff person to look at it. Supervisor McLendon stated counties should look at the proposals as individual counties because they are controversial items. He said there are a lot of good suggestions, but there are also some that will have a difficult time passing the Legislature. He said if counties come up with a consensus, that would be great, but as a statewide group, we would have a difficult time agreeing on a consensus to meet that deadline. Supervisor Wilcox said she was thinking of counties coming up with guidelines on some of the items that could be explored further. One thought was to have CSA send the report to counties and then have a committee to look at the recommendations, or to have the county managers meet with their boards to see if any type of consensus can be reached on any of the items. Supervisor Pat Call said these are good suggestions, but he knows he wouldn't be able to get his board together to look at this prior to October 29; it is too short of notice to get something done within the timeframe.

Mr. Smith advised the comment period was really for CFRC members, but he was willing to take input to include in his comments. He said the final report will come out after the 10th, and then the public will have time to comment. President Bronson said if counties are able to provide their comments prior to October 29 to Mr. Smith, to do so; otherwise, counties can wait until the public comment period. Supervisor Wilson commented that Mr. Smith's input was very well done and he did it on his own time. He said Mr. Smith was trying to look at the whole picture and he knew difficult decisions had to be made. He said the recommendations are headed in the right direction to help the state. Supervisor Wilson asked for counties to take a look at the proposals and realize what Mr. Smith was attempting to do.

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**SPECIAL SESSION
October 23, 2003**

CSA will put an article in its newsletter outlining what Mr. Smith reported and will provide the dates discussed. A copy of the recommendations can be hyper linked and are also listed on the CFRC website. Supervisor Wilcox suggested counties still come up with a process to determine whether there is any unanimity on some of the proposals. President Bronson advised to put it on the November board agenda for discussion. She thanked Mr. Smith and noted he is excellent on policy issues.

Sally Bender reported that Lisa Atkins had advised there was no significant activity on the National Century Financial Enterprises Bankruptcy and Potential Losses to LGIP issue since her last report.

Jim advised that Maricopa County hosted the NACo conference advisory committee meeting at the conference. He said five hotels were selected for next summer's annual conference. Two are downtown, the Wyndham and the Hyatt Regency (the host hotel), and three are near Camelback and 24th Streets, the Ritz-Carlton, Embassy Suites, and the Arizona Biltmore. The Phoenix Civic Plaza will be used for the main convention and Maricopa County is working on setting up pre- and post-convention packages. Jim noted that this is the first time a hotel lottery will not be used, letting conference attendees stay at whichever hotel they choose.

President Bronson said that Pima County is requesting for CSA to do an *amicus* brief in *Pima County v. Clear Channel Outdoor*. She said Pima County would write the *amicus*, but CSA would file it, and there would be no cost to CSA. Pima County is asking for CSA to agree: 1) a private business entity is not entitled to a governmental exemption in connection with the erection and operation of its own structures for a commercial purpose on private property; and 2) when a billboard or other business use is relocated by ADOT for an interstate highway project, it can only be relocated in conformity with local ordinances, including building codes, zoning codes, lighting codes, noise ordinances, *etc.*

President Bronson provided an example of what could happen with any state condemnation regardless of the zoning in force. She said it would probably be 60 days before Pima County would need to file an appeal. Supervisor John Maynard made the motion, seconded by Supervisor Zumwalt, to approve CSA filing an *amicus* brief in *Pima County v. Clear Channel Outdoor*. Motion passed.

Sally Bender reported that the Arizona Counties Insurance Pool (ACIP) is also seeking CSA to file an *amicus* brief in *Booth v. State of Arizona, et al.* She said the state is appealing a multimillion dollar verdict wherein a motorist struck an elk carcass at night on Interstate 40 east of Flagstaff. The court found in favor of the motorist and his adult daughters with a \$5.17 million award, which was reduced to \$3.1 million after the motorist's percentage of fault was applied. ADOT and the Arizona Game and Fish would like for CSA to file an *amicus* because counties have road responsibility. ACIP would have the brief written at no cost to CSA. Supervisor Jim Palmer made the motion, seconded by Supervisor Christensen, and unanimously carried to approve the *amicus* brief in *Booth v. State of Arizona, et al.*

CSA/ACRF FIRST QUARTER FY 2003-04 FINANCIAL STATEMENT

President Bronson noted the first quarter financial statement was included in the agenda packet and to contact CSA with any questions.

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**SPECIAL SESSION
October 23, 2003**

COUNTY CAUCUS REPORTS

Supervisor Maynard advised the Small Counties Caucus had good attendance. They enjoyed lively discussion on a number of issues and Sally Bender provided an update on the proposed legislation from counties. There were no medium or large county caucus reports.

NEXT MEETING DATE AND TIME

The next CSA board of directors meeting will be held in conjunction with the AACo conference on November 20 at the Embassy Suites in Phoenix.

OTHER BUSINESS

Supervisor J. R. DeSpain said he has been nominated for the third vice-president position of AACo and wishes for CSA support. Jim Sawyer said that Supervisor DeSpain is one of two candidates for the position; the other candidate is Phyllis Bryce, school superintendent of Graham County. AACo's election process is open to any elected county official. The election time begins on Wednesday, November 19, through noon on Thursday, November 20. He suggested supervisors show up early on Thursday to cast a ballot before noon.

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Fulton Brock, Chairman of the Board

ATTEST:

Norma Risch, Deputy Clerk of the Board